

International Development Group LLC (IDG) and its partners (McKinsey & Company, Cambridge Resources International, and Global Business Solutions Inc.) offer USAID the requisite technical, regional, and management experience to provide a broad range of technical assistance to USAID in support of the Power Africa Initiative. IDG can assist with the following tasks, all aimed at shepherding power transactions from initial status to deal closing:

- **Identify promising Power Africa transactions** that are technically and financially viable, covering a range of population groups, and near-term and longer-term.
- **Conduct rigorous project appraisal / cost-benefit analysis** to determine the viability of the project – Could private investors be interested in the project? Does it make sense for the government or donors to financially support the project given the impact on the population, and given alternative projects? Such analysis would be complex and multi-faceted, considering construction and operating costs, potential demand for power (disaggregated by residential and commercial, and by population segments), returns to investors, benefits to the government and to the society, environmental impact, etc.
- **Structure public-private partnership (PPP) or independent power producer (IPP) models.** (“Private” participation can include traditional international, regional or domestic investors, or less traditional actors like NGOs and community cooperatives.) Roles of government and of private sector need to be defined.
- **Identify investors**, shop around opportunities, and assist a host government to promote to potential investors.
- **Assist in raising financing**, including any finance-related measures to mitigate risks of investors and donors.
- **Support tender processes** to select investors, including with production purchase agreements (PPAs).
- **Identify legal and regulatory impediments** to deals, and assist host governments to address.
- **Support dialogue** broadly with the government, donors, and civil society.
- **Provide institutional capacity building** as needed, to governments, transmission and distribution companies, regulators, and private companies.
- **Support electricity pricing and collections**, including any efforts to reduce electricity theft, increase payment for electricity, improve collection processes, and introduce pre-payment equipment.
- **Support energy policy**, grid master plans, and overall strategic energy issues.

Personnel. IDG senior staff has worked in and has contacts in each of the Power Africa countries: Ethiopia, Ghana, Kenya, Liberia, Nigeria, and Tanzania. The IDG team is familiar with Power Africa transactions and issues in each partner country. The following list presents some of our available experts. The first two on the list, Richard Rousseau and Sam Koduah, are available to serve as full-time resident transaction advisors from the beginning of January 2014.

- **Richard Rousseau, transaction advisor.** A senior manager with more than 30 years of experience in USAID programming. He has an excellent understanding of issues affecting the performance of energy and utilities sectors in developing countries and is skilled in building and motivating diverse teams, solving problems, resolving conflicts, using financial and economic analysis to improve decision-making, and getting results. Mr. Rousseau served as Senior Energy Officer for USAID/Energy Team, Office of Infrastructure and Engineering, for two years, in 2010 –2011, where he provided advice and analysis to USAID Missions and host countries on energy sector reforms related to hydrocarbons, utility management, and subsidies. In this capacity, he frequently served as Acting Team Leader for a team of nine. He successfully obtained authorization for and managed the \$22 million Energy Governance and Capacity Initiative (EGCI) that assisted selected developing countries in Africa, Asia, and Latin America in developing and managing hydrocarbon resources. He also advised the USAID Mission to Kosovo on a program of support for the privatization of the country’s electric utility. He presented analyses to senior managers on the financial and economic implications of fossil fuel subsidies in USAID-assisted countries and on the costs

and benefits of solar water heaters in Egypt. In a previous assignment, from 2006 to 2010, as Director for USAID/Productive Sector Development in Egypt, Mr. Rousseau managed a 20-person office responsible for USAID support for Egyptian utilities including power. He oversaw a comprehensive evaluation of USAID's \$5 billion investment in Egyptian infrastructure in power, water, and sanitation and developed and presented concept papers and studies, including 'Energy Sector Reform' to senior management. Mr. Rousseau has an MBA in finance from Wharton Graduate School at the University of Pennsylvania, and he is fluent in English and French and conversant in Arabic.

- **Sam Koduah, transaction advisor.** Has 20 years of professional experience in project development and evaluation, with specific experience in infrastructure advisory services and private equity capital. A registered Professional Engineer (P.E.) in California and a business management specialist, he has expertise in export finance mechanisms and Overseas Private Investment Corporation's (OPIC) projects as well as in potential investment projects for the U.S. Trade and Development Agency. Since 2002, Mr. Koduah has served as practice manager for infrastructure advisory services, where he works with government ministry counterparts to pinpoint priorities in investment and highlight project performance. As an example, in Liberia he led separate USTDA Definitional Missions in Energy and Transport. He developed a framework for an energy regulatory board (ERB) and for independent power producer (IPP) participation in the energy sector. He also evaluated reconfiguration and redesign of a 66kV transmission project funded by the European Commission. He worked closely with then Presidential Advisor and now Minister of Lands, Mines & Energy, Hon. Patrick Sendolo. Previously, Mr. Kouda was the co-owner and manager of a finance and investment firm focused on sub-Saharan Africa. In this capacity, he evaluated targets for equity investment and strategic assistance and developed risk management tools for international transactions. Mr. Kouda holds an MBA in finance from Harvard Business School and a master's in structural engineering from the University of Idaho.
- **Michel Layec, senior energy economist.** Specializes in the energy sector of developing countries. He has more than 25 years of experience in the energy sectors of about 30 emerging markets, many in Sub Saharan Africa. He has been a lead energy economist at the World Bank in Washington and in the private sector and has worked extensively with the multilateral and bilateral development institutions and recently on implementing the Sustainable Energy for All Initiative (SE4All) in Sub-Saharan Africa. He has recognized in-depth expertise in the comprehensive assessment of the energy sectors of emerging economies, sector policies, strategies and enabling environments, in economic evaluation of investments and policy options, and in the economic and financial analysis of specific energy sector investments, sector-wide investment programs and action plans, and energy policies and strategies. He has a proven track record of interfacing and negotiating with cabinet-level officials, senior civil servants, and with senior management of multinational energy corporations and of publicly and privately owned energy utilities, and bilateral and multilateral development institutions. His has an MBA in Finance (Quebec, Canada) and a master's in economics (France).
- **David Snelbecker, CEO.** Senior economist. Has led complex development projects in multiple countries. In Liberia oversaw corridors project that conceptualized regional infrastructure projects.
- **Robert Kirk, SVP.** Senior trade and policy economist. Has led trade and EG work in 20+ SSA countries, including Kenya, Tanzania, Ghana, and Nigeria. Leads World Bank trade projects in Sudan and Malawi.
- **Glenn Jenkins, senior cost-benefit expert.** Leading expert on cost-benefit analysis and project appraisal. Has advised USAID on reintroducing cost-benefit analysis and AfDB on Africa power projects.
- **John Wasielewski, senior finance expert.** Led USAID Development Credit Authority. Has guided financing for numerous large infrastructure projects in the developing world.
- **Anna Kordunsky, communications expert.** Has produced success stories for USAID and US embassy sites, Frontlines, Transforming Lives, Facebook, Twitter. Published in NY Times, National Geographic.
- **Shannon McCafferty, Senior Manager for Operations.** Has overseen operations of \$80m+ in annual project activities, including a \$22m contract for IDG, and served as DCOP of a large AID Iraq program.

IDG's Partners/Subcontractors. In addition to in-house expertise, IDG has several partners that can serve as subcontractors and that offer strong power and regional expertise:

McKinsey & Company offers deep technical expertise, diverse relationships, and an unparalleled reputation for delivering impact. McKinsey is a leader in the global electric power and natural gas industry and is ranked #1 in Energy Consulting. It has a global network of industry experts in energy and relevant customer and supplier industries and an in-depth understanding of industry markets structures, competitive dynamics, and market regulation and value chain segments. It also is able to offer proprietary insights based on quantitative models (e.g., power, gas and CO2 market models), tools (benchmarking) and knowledge investments (industry & technology perspectives). Illustrative activities that McKinsey has carried out relevant to Power Africa include:

- In Angola, strategic action plan for sector reform structuring of institutional models for the sector
- In Botswana, Namibia, Mozambique, an integration assessment for the Southern African Power Pool
- In Egypt, a detailed assessment of power plants from operations and maintenance points of view
- In Ethiopia, capital project optimization of a hydroelectric facility and definition of national green growth strategy
- In Kenya, utility transformation program and organizational redesign of state utility structure
- In Liberia, regional opportunity scans for international IPPs
- In Morocco, energy crisis management and definition of a national energy policy
- In Nigeria, a 100-Day action plan for government and facilitation of multiple sector retreats and workshops at ministerial and presidential level
- In Senegal, energy crisis management and short-term generation delivery
- In South Africa, energy crisis recovery, including development of power rationing program, and support in communicating crisis challenge; a national rural electrification strategy; development of local supplier development policies; multiple regulatory strategies reviewing overall sector structure; private sector opportunity assessments; capital project optimization on coal fired plants; and operational excellence in operations, maintenance, and outages.
- In Tanzania, a climate change adaptation assessment for the power sector and energy sector master plan in conjunction with Big Results Now Delivery Units
- Regionally, multiple continental opportunity scans for IPPs, equipment manufacturers, and development organizations

Cambridge Resources International (CRI) are established authorities in project evaluation, creators of the most advanced method: integrated investment appraisal. It is a comprehensive model covering financial, economic, stakeholders, environmental, and risk analysis. The transparency and accuracy provided by the model assists in decision making, improves project design, reduces uncertainties and risk, and assesses the impact of the project on stakeholders including the environment. The financial models created by CRI under the integrated approach provide the right tool for evaluating the partnership arrangements and analyze the risk implications on each side to the contract to ensure the success of a project. CRI has conducted analysis on more than 40 transactions in the power sector in Africa over the past 5 years, with emphasis on renewable sources of power generation. While these sources are very attractive from the environmental standpoint and reduction in fuel consumption, their successful integration into power systems is still a field of active research. CRI associates, using their strong ties with academia, have been able to conduct CBA studies on renewables while factoring in the long-term impact of their intermittency on the power system.

Global Business Solutions Inc. (GBSI) works with governments to streamline their processes by modernizing energy sector policies, developing and enhancing policy and regulatory frameworks, and building capacity within various utilities and regulatory entities. GBSI supports improvement of the enabling environment and institutional strengthening to facilitate participation of the private sector in energy and infrastructure planning and development. GBSI has worked extensively in Liberia and several other West African countries.